

**SECRET**

1B Policy

5 MAY 1964

25 YEAR  
RE-REVIEW

**MEMORANDUM FOR: Chief, Audit Staff**

**SUBJECT** : Report of Audit of Government  
Employees' Health Association, Inc.  
1 January - 31 December 1963

**REFERENCE** : Your Memo, Same Subject, dated  
25 March 1964

1. Referenced report contained only one recommendation that receipts be obtained from beneficiaries for death benefits paid in November 1963. This action has been taken.

2. Although no specific recommendation was made, the referenced report noted that access to the five petty cash funds maintained in the Headquarters Building Cashiers' Office is not restricted solely to the custodian of each fund. We are planning to investigate means by which this weakness can be corrected.

/s/ Harry W. Little, Jr.

Emmett D. Echols  
Director of Personnel

**Distribution:**

0&1-Addressee

1-DD/S

1-D/Pers

1-Chairman, BOD, GEHA

1-Exec. Dir. /Compt

1-Dir. /Finance

1-IG

1-C/IB

1-C/BSO

**SECRET**

GROUP 1  
Excluded from automatic  
downgrading and  
declassification

OP/BSO/ [redacted] bap (4 May 1964)

*Handwritten:* 27 APR 1964

27 APR 1964

**NOTE FOR : GEHA File**

1. On 23 April 1964, Len Payne, Mr. Little, Mr. Echols, and I met for the purpose of discussing proposed changes in the Association Benefit Plan for the forthcoming contract year. During this meeting we discussed a letter from Mutual of Omaha dated 16 April 1964.

2. After analyzing the benefits, the proposed rates involved and the addition of a 1% administrative expense charge, the Director of Personnel approved our incorporating all of the benefit changes outlined in the letter of 16 April 1964 excepting the maternity benefits selected was an increase from \$80 to \$100.

3. That same afternoon, the group met with the Executive Director-Comptroller who also approved changes as incorporated in the letter of 16 April 1964 plus the addition of a 1% administrative charge.

4. An emergency meeting of the Board of Directors was scheduled for 2:30 p.m. on 27 April 1964, at which time the proposed changes will be submitted.



**Chief, Benefits and Services Division**

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